



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF COMMUNITY HEALTH

NICK LYON  
DIRECTOR

February 18, 2015

Office of Internal Audit Services  
Office of the State Budget  
George W. Romney Building  
111 South Capitol, 6<sup>th</sup> Floor  
Lansing, Michigan 48913

Dear Mr. Bankowski:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached are the preliminary summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's Performance Audit of the Hawthorn Center.

Questions regarding the summary table or corrective action plans should be directed to me at (517) 373-1508 or Myersp3@michigan.gov.

Sincerely,

Signature Redacted

Pam Myers, Director  
DCH Office of Audit

Enclosure

Cc: Office of the Auditor General  
House Fiscal Agency  
Senate Fiscal Agency  
Executive Office  
DCH, Nick Lyon  
DCH, Timothy Becker

House Appropriations Committee  
House Standing Committee  
Senate Appropriations Committee  
Senate Standing Committee  
DCH, Lynda Zeller  
DCH, Karla Ruest

PERFORMANCE AUDIT OF THE  
HAWTHORN CENTER

DEPARTMENT OF COMMUNITY HEALTH

DECEMBER 16, 2014

AUDIT RESPONSE

Approved: Farah Hanley  
Farah Hanley, Senior Deputy Director  
Department of Community Health

Date: 12/17/14



## AUDIT REPORT SUMMARY

DEPARTMENT: Community Health  
AUDIT PERIOD: October 1, 2011 through May 31, 2014  
REPORT DATED: October 17, 2014

### DISPOSITION OF AUDIT RECOMMENDATIONS

<u>CITATIONS COMPLIED WITH</u>	<u>CITATIONS TO BE COMPLIED WITH</u>	<u>CITATIONS DCH DID NOT AGREE WITH</u>
Finding 1		
	Finding 2	
	Finding 3	

**Audit Response  
Performance Audit  
Hawthorn Center  
Department of Community Health  
October 1, 2011 through May 31, 2014**

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**Recommendation 1:            Timeliness of Assessments and Notifications**

The OAG recommended that the Center always timely complete and document that it timely completed assessments and notifications required at admissions, discharges, and medication changes.

**Response:**

The central desk of the Hawthorn Center now specifically monitors the status of all admission assessments, IPOS (individualized plan of service), discharges, and medication changes. The absence or tardiness of any assessment or notification is immediately reported to the area supervisors for appropriate action. Responses to absent or tardy assessments/notifications are aggregated monthly and reported to Medical Staff for review.

**Recommendation 2:            Medication Inventory**

The OAG recommended that the Center utilize an inventory control program and periodically inventory its noncontrolled medications.

**Response:**

The electronic medication management system is anticipated to begin operation in 2015. The new system contains "perpetual inventory control" functionality that can be utilized by the Center. In essence, the Center will be able to continuously inventory all medications as they are received and subsequently dispensed by the pharmacy. DCH anticipates full implementation of the "perpetual inventory control" functionality by December 15, 2015.

**Recommendation 3:            Work Order Monitoring**

The OAG recommended that the Center ensure that information contained in the electronic work order system is accurate and that maintenance staff always complete work orders timely.

**Response:**

The Maintenance Supervisor is currently reviewing and updating all open work orders in the system. Work order priority levels are being redefined to more accurately assign an expected completion date to the individual work order request.

The Maintenance Supervisor also now reviews all newly submitted work orders to ensure that requests are completed and assigned appropriately.

Finally, the Maintenance Department will now report the status of all work orders semiannually in the department report to hospital leadership with the next report to leadership in February 2015. Leadership will monitor the new process for improvements and will make appropriate adjustments. DCH anticipates full implementation by December 15, 2015.